

Child Care Assistance Programs
Child Care and Development Fund CFDA Number 93.575
Department of Education & Early Development – Program 29

I. PROGRAM OBJECTIVES

The purpose of these programs is to provide child care benefits for families determined eligible under their respective program regulations while working, training, or seeking work.

The Child Care Development Block Grant, and Child Care and Development Fund programs include federal pass through moneys and the audits should be conducted in accordance with federal audit requirements.

II. PROGRAM PROCEDURES

Program funds are made available annually to eligible recipients through an allocation based on demonstrated need within specified geographical areas of the state.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

There are [four] **two** child care assistance programs administered concurrently within the department. **Either or both** [One or more] of the following programs may be involved in each of the grants.

- a) [Day Care Assistance Program (DCAP): Governed by AS 14.38.100-199 and 4 AAC 64 and 4 AAC 65. The DCAP is 100% State General Funds.
- b) Child Care Development Block Grant (CCDBG): Governed by DCAP regulations except where those regulations are inconsistent with 45 CFR 98 & 99 in which case federal regulations take precedence. The CCDBG is 100% federal funds. CFDA Number 93.575.]
- c) Child Care and Development Fund (CCDF), PASS II **and PASS III: Authorized** [Governed] by **State Statute AS 14.38.100-150 and State regulations 4 AAC 65** [DCAP regulations] except where those regulations[, created as an amendment to the CCDBG regulations,] are inconsistent with 45 CFR 98 & 99 (1996) and Section, “PASS II Provisions” (#900s) in the Child Care Programs Policy and Procedure Manual, in which case **the** [those] federal regulations take precedence. The CCDF is 100% federal funds[.] (CFDA Number 93.575) **although some sections of the CCDF funding require a**

state match and maintenance of effort. Each grant will identify the specific amount of federal and state funding.

- d) [Child Care and Development Fund (CCDF), PASS III: Governed by DCAP regulations except where those regulations, created as an amendment to the CCDBG regulations, are inconsistent with 45 CFR 98 & 99 (1996) and Section, “PASS III Provisions” (#900s) in the Child Care Programs Policy and Procedure Manual, in which case those federal regulations take precedence. The CCDF is 100% federal funds. CFDA Number 93.575]

A. TYPES OF SERVICES ALLOWED

Compliance Requirements

Program funds may only be used for subsidy payments on behalf of eligible parents during participation in allowable activities in licensed, federally approved child care [providers] **facilities** (DCAP only) and also in legally exempt child care facilities for the federally funded programs. For the [CCDBG and]CCDF PASS programs, child care providers must be **“approved”** by [registered] with] the state. **Approved** [Registered] means that they [certify with one witness that they] meet the Mandatory Minimum Health and Safety **Requirements** [Standards] and have submitted **an ‘approved provider’ application packet that has been reviewed and approved** [registration form initialed] by the Local **Child Care** Administrator.

The amount which may be paid for subsidy is based upon the family's monthly adjusted net income and a maximum subsidy amount per month. The income and subsidy schedules are available through the department.

Administrative expenses [for DCAP and CCDBG,] and program support funds for CCDF PASS programs are limited by the grant agreement in effect at the time.

Suggested Audit Procedures

- Test financial and related records and determine the purposes for which funds were expended.
- Test for separate funding source accounting in compliance with federal requirements.
- Verify administrative expenditures were within the terms of the grant agreement in effect at the time.

B. ELIGIBILITY

Compliance Requirements

The grantee shall review the family's eligibility and level of program participation no less than once every **six** [four] months. 4 AAC 65.091

A family determined to be ineligible under the provisions of 4 AAC 65.281 shall be terminated from receipt of program services.

A family determined ineligible for assistance shall be provided with a copy of the documentation of ineligibility. 4 AAC 65.091

Suggested Audit Procedures

- Review and assess the grantee's procedures for adequately verifying the eligibility of applicants.
- Review selected case files and verify that eligibility determinations were appropriate.
- Review and assess the grantee's procedures for periodically determining continued eligibility and level of participation.
- Review and assess the grantee's procedures for terminating services to clients determined to be ineligible under 4 AAC 65.281.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There **is** [are] no matching, level of effort, or earmarking requirement[s] at the grantee level.

D. REPORTING REQUIREMENTS

Compliance Requirements

A child care provider shall submit monthly billings to the grantee in its geographical area. 4 AAC 65.251

A grantee shall submit periodic reports to the division as specified in the grant agreement. 4 AAC 65.121

Suggested Audit Procedures

- Examine copies of reports and determine completeness and timeliness of submission.
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirements

If a grantee determines that the grant award is insufficient to serve new families or if there are insufficient providers in the community, the grantee shall place the family's name on a waiting list. (4 AAC 65.111) PASS II is considered an entitlement program so no waiting list may exist.

The grantee shall offer child care assistance, when it becomes available, to families on the waiting list in order of the criteria specified in 4 AAC 65.111(c).

Suggested Audit Procedure

- Review and assess the grantee's procedures for ensuring timely assistance to families on the waiting list.

Compliance Requirement

The grantee shall establish and maintain a file for each eligible family. The **grantee must document the eligibility criteria such as income, age, familial relationships, etc., have been verified from sources such as partner agency records, employer contact, hard copy documentation, or electronic records.** [file shall include, but is not limited to the following: (1) copies of birth certificates of dependent children; (2) copies of divorce decrees and modifications to divorce decrees; (3) statements of guardianship of the children in the family, separation, and non-support of the children in the family; (4) income records; (5) the parent's work or training schedule, and the applicant's employer or school; (6) classes and schedules for educational or training programs; and, (7) other documents the grantee determines appropriate.]

Suggested Audit Procedure

- Review selected client files and **confirm required criteria are being verified.** [verify required documents are being maintained.]

Compliance Requirement

A rate charged by a provider to parents participating in the **Child Care Assistance program** [DCAP] may not be higher than the rate charged to other families for the same service. 4 AAC 65.191

Suggested Audit Procedure

- Review and assess the grantee's procedures for verifying the comparability of fees charged to eligible families.

Modified 5/02